OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

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Statement of US Trade Representative Robert B. Zoellick

"We welcome today's announcement today that the European Union will, as part of the Doha negotiations, accept that all countries must set an end date for the abolition of agricultural export subsidies.

"We're pleased that Commissioner Lamy and Commissioner Fischler have announced they are taking this important step. It is a demonstration of the potential of all to contribute to the success of the Doha Development Agenda.

"I hope this will provide a shot in the arm to the overall negotiations.

"The elimination of export subsidies was among a number of critical elements I recommended in my January letter to my WTO colleagues, and the kind of step that developing and other agricultural exporting countries have expressed repeatedly was necessary.

"The United States has consistently advocated ambitious reforms in the Doha negotiations, particularly in all three pillars of agriculture: the elimination of export subsidies; substantial, harmonizing cuts in trade distorting domestic subsidies; and, a significant increase in market access. The goal of eliminating export subsidies has been important to the U.S. and others for a long time. The United States already offered to eliminate U.S. export subsidies.

"The United States has noted it will support the EC's move by agreeing to negotiate a parallel elimination of the subsidy element within export credits, and to negotiate disciplines on food aid to preclude displacement of commercial sales.

"We look to others to show a similar spirit by stating their willingness to end monopolies in state trading enterprises and differential export taxes.

"In the weeks ahead, WTO Members will be working with one another to develop the frameworks to advance the negotiations to the next stage. In a sense we're trying to get back to where we all hoped to be last September at the Cancun Ministerial.

"When coupled with the European Union's recognition of the emerging consensus that we can clear the decks on the 'Singapore Issues' by concentrating on the one area of trade facilitation, we are beginning to see the shape of a foundation upon which to build in the coming weeks and months."

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